

- Hall's Small Business Tax Breaks Included in Bill -

Washington, DC - U.S. Rep. John Hall (D-Dover) voted yesterday to support small business growth and create jobs. The Small Business and Infrastructure Jobs Tax Act (H.R. 4849) passed the House of Representatives by a vote of 246 to 178. The bill extends critically important federal bond assistance to states, cuts capital gains taxes on small businesses, invests in extending the Temporary Assistance for Needy Families (TANF) Emergency Fund, and provides other essential tax breaks to small businesses. Included in the bill are tax breaks that Congressman Hall fought for after meeting with Hudson Valley small business owners.

"This bill is a significant step on the path of economic recovery," Rep. Hall said. "It makes critical investments in small businesses and local infrastructure. Pumping capital into the economy, in a targeted way, is exactly what we need to do to keep the economy moving. This bill recognizes that and makes encouraging small business growth a national priority."

The legislation includes Rep. Hall's provision to increase the tax deduction for expenses associated with starting a new business. Small businesses would be able to deduct up to \$20,000 (up from \$5,000 in current law) in start-up expenses. Additionally, it allows more businesses to qualify for the maximum tax deduction. Hall introduced this provision as part of his Helping Small Businesses Start and Grow Act (H.R. 4637), and was pleased to see an increase in the tax deduction included in H.R. 4849. Business owners that attended Hall's recent Small Business Roundtables told the Congressman that increasing this tax deduction would be extremely helpful during the economic recovery.

The inclusion of Hall's provision follows the inclusion of Hall's "bonus depreciation" provision in the HIRE Act, which President Obama signed into law on March 18, 2010. Bonus depreciation gives small businesses an immediate fifty percent tax write-off for the cost of equipment, vehicles, furniture, machinery, buildings and other purchases.

"My constituents told me that both of these provisions could help them, which is why I worked hard to see them move forward." Rep. Hall said. "Although my original bill had included a larger start-up deduction, the deduction included in this final bill is still significant enough to make a real difference."

The Small Business and Infrastructure Jobs Tax Act does not increase the deficit. Much of the bill is paid for by cracking down on tax havens exploited by foreign corporations operating in the

United States. This not only pays for these benefits, but helps American businesses compete with foreign businesses.

-30-